# CITY OF MIAMI BEACH COMMISSION ITEM SUMMARY



### **Condensed Title:**

A Resolution Approving And Authorizing The Mayor And City Clerk To Execute An Amendment To The Current Agreement Between The City Of Miami Beach And The Corradino Group (Formerly Known As Carr Smith Corradino) To Provide For An Extension Of Time On The Scott Rakow Youth Center; And To Provide For An Extension Of Time And Additional Services In An Amount Not To Exceed \$100,000, For The Normandy Isle Park And Pool Project; And Appropriating \$100,000 From 1999 General Obligation Bond Interest For Such Purpose.

#### Issue:

Shall the City award Additional Services to the Corradino Group to complete Construction Administration services on the Normandy Isle Park and Pool Project, and extend the term of the agreement for both the Normandy Isle Park and Pool and Scott Rakow Youth Center projects?

### Item Summary/Recommendation:

On April 10, 2002, the City Commission amended the agreement with The Corradino Group for an extension of time on the Normandy Isle Park and Pool through March 31, 2003, and additional fees in the amount of \$21,708 were awarded for that project, as well as an extension of time for the Scott Rakow Youth Center project through May 31, 2002, and additional fees in the amount of \$59,708 for that project. The construction of the Normandy Isle Park and Pool project is not yet complete due to delays related to testing the viability of an alternate pool deck construction proposed by the Contractor during value engineering sessions to bring the project within budget and that an FPL transformer had to be relocated prior to construction starting. It is now estimated that the project will be substantially complete by December 31, 2003. The construction of the Scott Rakow Youth Center is also not yet complete. Phase I is anticipated to be complete by July 31, 2003, and Phase II by December 31, 2003.

In order to finish the projects, the A/E firm of record, The Corradino Group, must be retained to provide direction with regard to the construction drawings, as well as ensure that the projects are being built according to the construction drawings. The Corradino Group is now working without a valid agreement, and subsequently without compensation, and has requested additional services and an extension of time to continue on the Normandy Isle Park and Pool project, and an extension of time for the Scott Rakow Youth Center with no additional fees at this time.

The Corradino Group has agreed to waive its fee for two (2) months of the time they have been without an agreement (April and May 2003) on the Normandy Isle Park and Pool project. The fee from June 1, 2003 through December 31, 2003 would be \$7,700.00 per month for a total of \$53,900 to be based on a time and materials basis. The Administration recommends undertaking an agreement with Corradino for additional services not to exceed a total of \$100,000. Corradino would provide services through December 31, 2003 for an initial amount of \$53,900. If the project extends past December 31, 2003, the additional funding would be billed on a time and materials basis not to exceed \$5,000 per month. To assure that the City only pays for the services received, access to the funds remaining after December 31, 2003 would only be permitted if written approval was provided by the City prior to the first day of the upcoming month.

### **Advisory Board Recommendation:**

N/A

### Financial Information:

Source of	Amount	Account	Approved
Funds:	1 \$100,000	1999 General Obligation Bond Interest	***
Finance Dept.	<b>2 Total</b> \$100,000		
	4.00,000		

City Clerk's Office Legislative Tracking:

Kristin L. McKew, Capital Project Administrator

Sigդ-Offs:		
\ Department Directo	or Assistant City	Manager City Manager
		lue
TA A CENTRAL CORRUE LOCACIO		1 8

//:\AGENDA\2003\jul3003\consent\Corradino Addl'Services cover.doc

AGENDA ITEM <u>C 7 H</u>

DATE 7-30-03

# CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139 www.miamibeachfl.gov



Date: July 30, 2003

### **COMMISSION MEMORANDUM**

To:

Mayor David Dermer and

Members of the City Commission

From:

Jorge M. Gonzalez

City Manager

Subject:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN AMENDMENT TO THE CURRENT AGREEMENT BETWEEN THE CITY OF MIAMI BEACH AND THE CORRADINO GROUP (FORMERLY KNOWN AS CARR SMITH CORRADINO) TO PROVIDE FOR AN EXTENSION OF TIME ON THE SCOTT RAKOW YOUTH CENTER; AND TO PROVIDE FOR AN EXTENSION OF TIME AND FOR ADDITIONAL SERVICES IN AN AMOUNT

POOL PROJECT; AND APPROPRIATING \$100,000 FROM 1999 GENERAL OBLIGATION BOND INTEREST FOR SUCH PURPOSE.

NOT TO EXCEED \$100,000, FOR THE NORMANDY ISLE PARK AND

# **ADMINISTRATION RECOMMENDATION**

Adopt the Resolution.

# **FUNDING**

Funding is available from the 1999 General Obligation Bond Interest.

# **ANALYSIS**

On July 16, 1997, the Mayor and City Commission approved a Resolution authorizing the City to enter into an agreement with The Corradino Group (formerly known as Carr Smith Corradino) for professional services related to the Parks Master Plan Bond Program Sites Scott Rakow Youth Center, Flamingo Park and Normandy Park in the amount of \$536,068 from the Parks Bond. This agreement has been amended several times, an outline of which is included in Attachment # 1.

The term of the City's original agreement with The Corradino Group was for thirty (30) months, which included the construction period for all of the projects. The projects were originally anticipated to be completed in 1999, and only the Flamingo Pool project has reached substantial completion. A construction contract was awarded to Regosa Engineering for the construction of the Normandy Isle Park and Pool project, with an estimated construction completion date of Spring 2003.

City Commission Memorandum
July 30, 2003
Normandy Isle Park and Pool Additional A/E Services
Page 2 of 4

On April 10, 2002, the City Commission amended the agreement with The Corradino Group for an extension of time on the Normandy Isle Park and Pool through March 31, 2003, and additional fees in the amount of \$21,708 were awarded for that time for the purposes of covering additional costs of administering the project during the extended design process. The construction of the Normandy Isle Park and Pool project is not yet complete due to delays related to the necessary evaluation of an alternate pool deck system proposed by the Contractor to bring the project into budget and that an FPL transformer had to be relocated prior to construction starting. It is now estimated that the project will be substantially complete by December 31, 2003.

Also included in the amendment approved on April 10, 2002 was an extension of time for the Scott Rakow Youth Center project through May 31, 2002, and additional fees in the amount of \$59,708 were awarded for that time for the purposes of covering additional costs of administering the project during the extended design process. The construction of the Scott Rakow Youth Center project is not yet complete. Anticipated completion for Phase I of the project is July 31, 2003, and for Phase II is December 31, 2003.

In order to finish the projects, the A/E firm of record, The Corradino Group, must be retained to provide direction with regard to the construction drawings, as well as ensure that the projects are being built according to the construction drawings, essentially to perform traditional construction administration services. The Corradino Group is now working with an agreement for which the term has expired and the fee exhausted, and has requested additional services to continue on these projects (Attachment # 2). Section 2.12 of the contract states that The Corradino Group is entitled to Additional Services if the duration of the construction projects extend beyond 60 days past the stated term. This clause can only be exercised if the reason for the extended construction time is outside the control of The Corradino Group, which is the situation as it relates to Normandy Isle Park and Pool.

# Normandy Isle Park and Pool

On the Normandy Isle Park and Pool project, The Corradino Group has requested additional services on a monthly basis as follows (not to exceed amounts):

<b>Expenditure</b>	# of Hours	<u>Fee</u>	<u>Total</u>
	(per Month)	<u>(per hour)</u>	
Project Manager	50	\$122.00	\$6,100.00
Principle	10	\$145.00	\$1,450.00
Reimbursable Expenses		\$150.00	\$150.00
TOTAL			\$7,700.00

The Corradino Group has agreed to waive its fee for two (2) months of the time they have been without an agreement (April and May 2003). The fee from June 1, 2003 through December 31, 2003 would be \$7,700.00 per month for a total of \$53,900 to be based on a time and materials basis.

City Commission Memorandum July 30, 2003 Normandy Isle Park and Pool Additional A/E Services Page 3 of 4

The Administration recommends authorizing additional services to Corradino for Construction Administration in an amount not to exceed a total of \$100,000. This would cover the \$53,900 being requested and would also provide for a contingency in the event time is extended and would cover the Construction Administration costs of the Park portion of the project, which is not presently part of the construction contract. If the project extends past December 31, 2003, the additional funding would be billed on a time and materials basis not to exceed \$5,000 per month.

To assure that the City only pays for the services received, access to the funds remaining after December 31, 2003 would only be permitted if written approval was provided by the City prior to the first day of the upcoming month. In addition, Corradino would not be permitted to work more than the prescribed hours per month (\$5,000) without written consent of the City. This same process would be followed for the Construction Administration related to the Park portion of the project. The original agreement fee was set as a percentage of construction value for services over a specified term. The additional services, under the agreement, are provided on an hourly basis for hours worked. The fee proposed for The Corradino Group is a fair proposal and represents current market rates for this type of work.

### Scott Rakow Youth Center

On the Scott Rakow Youth Center project, The Corradino Group had requested additional services in the amount of \$55,000 for the time period from June 1, 2002 until April 30, 2003. During negotiations with the City, it was agreed that the project had not been active for the entirety of the time period in question. Similarly, the City believed that The Corradino Group made errors on the job, most specifically related to Change Order Requests 65 (HVAC roof supports and catwalks) and 35 (Electrical Conduits at Ticket Booths). While The Corradino Group respectfully disagreed with the City's opinion, they did propose to waive their request for additional services through July 31, 2003. However, in an effort to clean-up the language of the contract, an extension of time through July 31, 2003 is recommended with no additional fees.

It is unclear at this time to what extent their services will be needed on Phase II of the project. If their services are needed after the July 31<sup>st</sup> date, the Administration will intends to authorize additional services through a letter agreement with The Corradino Group, which will provide for an extension of time beginning on August 1, 2003, and additional fees related to that extension of time. The fees for this extension are projected to be less than \$20,000, and are currently available within the funding for Phase II of the project. As with the Normandy Isle Park and Pool project, the additional fees would be billed on a time and materials basis not to exceed \$5,000 per month. To assure that the City only pays for the services received, access to the funds remaining after July 31, 2003 would only be permitted if written approval was provided by the City prior to the first day of the upcoming month. In addition, Corradino would not be permitted to work more than the prescribed hours per month (\$5,000) without written consent of the City.

City Commission Memorandum July 30, 2003 Normandy Isle Park and Pool Additional A/E Services Page 4 of 4

## **CONCLUSION:**

The Administration recommends approving Additional Services and related fees in an amount not to exceed \$100,000 to retain The Corradino Group as Architect/Engineer for the Parks Master Plan Bond Program Sites Scott Rakow Youth Center, Flamingo Park and Normandy Park through December 31, 2003 for the Normandy Isle Park and Pool project and to provide an extension of time on the Scott Rakow Youth Center project through July 31, 2003.

T:\AGENDA\2003\jul3003\consent\Corradino Addl Services memo.doc

# Attachment # 1 – Timeline Related to Parks Master Plan Bond Program Sites of Flamingo Pool, Scott Rakow Youth Center and Normandy Isle Park and Pool

November 8, 1	1994	
---------------	------	--

The citizens of the City of Miami Beach approved the issuance of \$15 million in general obligation bonds for park improvements (Parks Bond). Bermello, Ajamil and Partners, Inc. (B&A) prepared a Master Plan that addressed the needs of twenty (20) parks of various sizes, and improvements for the Boardwalk and bikeways.

June 19, 1996

The Mayor and City Commission adopted the Master Plan prepared by B&A.

July 16, 1997

The Mayor and City Commission approved a Resolution authorizing the City to enter into an agreement with The Corradino Group (formerly known as Carr Smith Corradino) for professional services related to the Parks Master Plan Bond Program Sites Scott Rakow Youth Center, Flamingo Park and Normandy Park in the amount of \$536,068 from the Parks Bond.

May 20, 1998

The Mayor and City Commission approved the schematic plans for the base bids, base bid budgets for each project, and authorized the Administration to move forward with the designs and bid specifications for the projects.

July 15, 1998

The Mayor and City Commission appropriated additional funding for the Parks Master Plan Bond Program in the amount of \$13,980,915 (comprised of \$13,835,915 from the Parks Bond and \$145,000 from the Riviera Apartments Lien Settlement). This action also amended the professional services agreement with The Corradino Group, increasing the agreement amount by \$237,955.

July 7, 1999

The Mayor and City Commission amended the agreement with The Corradino Group in the amount of \$74,977 for the provision of additional services not included in the original scope of work, including several schematic designs for the approval of the Scott Rakow Youth Center Ice Rink (at least 17 different schemes

and cost estimates and a scale model for presentations), plan revisions and redesigns requested by the Design Review Board (DRB) to gain board approval for Flamingo Park, Normandy Isle Park and the Scott Rakow Youth Center, and additional costs for surveying.

November 2, 1999

The citizens of the City of Miami Beach approved the issuance of approximately \$92 million in General Obligation (GO) Bonds. Of the \$24.8 million GO Bond funds that were allocated for Parks and Beaches projects, approximately \$2.8 million were for the construction of the Scott Rakow Youth Center, Flamingo Park and Normandy Park projects included under The Corradino Group's professional services agreement.

November 17, 1999

The Mayor and City Commission referred the \$92 million GO Bond Issue to a joint meeting of the Finance and Citywide **Projects** Committee and the Neighborhood's Committee. Among other things, the Committees were to review and recommend action on amending the existina professional services agreements for the architecture and engineering of parks under the Parks Master Plan, given the infusion of additional funds into the project budgets.

December 15, 1999

The City Commission accepted the report from the Joint Meeting of the Finance and Citywide Projects Committee and Neighborhood's Committee. The report included a recommendation to renegotiate the existing professional services agreements for the architecture and engineering of parks under the Parks Master Plan to fees based on a lower percentage of estimated construction costs.

January 12, 2000

The Mayor and City Commission amended the City's agreement with The Corradino Group and appropriated \$153,937 (comprised of \$131,937 for additional architectural and engineering services, \$7,000 for additional surveying and testing, and \$15,000 for other reimbursable expenses). This represented a lower fee related to the projects under their agreement with the City. The Corradino Group's original fees had been based on 10% of estimated construction costs. The Administration (with The Corradino Group's agreement)

recommended to the Mayor and City Commission a new fee structure based on 9.0% of estimated construction costs. Based on estimated construction costs of \$10,138,224 for the 3 projects, The Corradino Group's fee at a rate of 10% would have been \$1,013,822. At a rate of 9.0%, the fees were reduced to \$912,440.

April 10, 2002

The City Commission amended the agreement with The Corradino Group for an extension of time on the Normandy Isle Park and Pool through March 31, 2003, and additional fees in the amount of \$21,708. An extension of time for the Scott Rakow Youth Center project through May 31, 2002, and additional fees in the amount of \$59,708 were also awarded at that time. The scope of the agreement was also revised by removing the Flamingo Park project and related fees in the amount of \$100,147 from the agreement.

R	E	S	0	L	U	T	Ī	0	1	V	V	)	

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN AMENDMENT TO THE CURRENT AGREEMENT BETWEEN THE CITY OF MIAMI BEACH AND THE CORRADINO GROUP (FORMERLY KNOWN AS CARR SMITH CORRADINO) TO PROVIDE FOR AN EXTENSION OF TIME ON THE SCOTT RAKOW YOUTH CENTER; AND TO PROVIDE FOR AN EXTENSION OF TIME AND FOR ADDITIONAL SERVICES IN AN AMOUNT NOT TO EXCEED \$100,000, FOR THE NORMANDY ISLE PARK AND POOL PROJECT; AND APPROPRIATING \$100,000 FROM 1999 GENERAL OBLIGATION BOND INTEREST FOR SUCH PURPOSE.

**WHEREAS**, on November 8, 1994, the citizens of the City of Miami Beach approved the issuance of \$15 million in general obligations bonds for park improvements (Parks Bond); and

**WHEREAS,** Bermello, Ajamil and Partners, Inc. (B&A) prepared a Master Plan that addressed the needs of twenty (20) City parks of various sizes, and improvements for the boardwalk and bikeways, that was adopted by the Mayor and City Commission on June 19, 1996; and

WHEREAS, On July 16, 1997, the Mayor and City Commission approved a Resolution authorizing the City to enter into an agreement ("Agreement") with The Corradino Group (formerly known as Carr Smith Corradino) ("Consultant") for professional services related to the Parks Master Plan Bond Program Sites Scott Rakow Youth Center, Flamingo Park and Normandy Park in the amount of \$536,068; and

WHEREAS, the Mayor and City Commission approved the schematic plans for the base bids, base bid budgets for each project, and authorized the Administration to move forward with the designs and bid specifications for the projects on May 20, 1998; and

WHEREAS, on July 15, 1998, the Mayor and City Commission appropriated additional funding for the Parks Master Plan Bond Program, in the amount of \$13,980,915 (comprised of \$13,835,915 from the Parks Bond, and \$145,000 from the Riviera Apartments Lien Settlement), and subsequently amended the Agreement with the Consultant, increasing the Agreement amount by \$237,955; and

WHEREAS, on July 7, 1999, the Mayor and City Commission amended the Agreement with the Consultant, in the amount of \$74,977, for the provision of additional services not included in the original scope of work, including several schematic designs for

the approval of the Scott Rakow Youth Center Ice Rink (at least 17 different schemes and cost estimates and a scale model for presentations); plan revisions and redesigns requested by the Design Review Board (DRB) to gain board approval for Flamingo Park, Normandy Isle Park and the Scott Rakow Youth Center; and additional costs for surveying; and

WHEREAS, on November 2, 1999, the citizens of the City of Miami Beach approved the issuance of approximately \$92 million in General Obligation (GO) Bonds, of which approximately \$2.8 million were for the construction of the Scott Rakow Youth Center, Flamingo Park and Normandy Park projects included under the Agreement; and

WHEREAS, on November 17, 1999, the Mayor and City Commission referred the \$92 million GO Bond Issue to a joint meeting of the Finance and Citywide Projects Committee and the Neighborhood's Committee, where, among other things, the Committees were to review and recommend action on amending the existing professional services agreements for the architecture and engineering of parks under the Parks Master Plan, given the infusion of additional funds into the project budgets; and

WHEREAS, on December 15, 1999, the City Commission accepted the report from the Joint Meeting of the Finance and Citywide Projects Committee and Neighborhood's Committee, which included a recommendation to renegotiate the existing professional services agreements for the architecture and engineering of parks under the Parks Master Plan to fees based on a lower percentage of estimated construction costs; and

WHEREAS, the Administration negotiated with the Consultant to reduce their fees related to the projects under the Agreement from 10% of estimated construction costs, to 9% of estimated construction costs; and

WHEREAS, at the January 12, 2000 meeting, the Mayor and City Commission amended the Agreement and appropriated \$153,937 (comprised of \$131,937 for additional architectural and engineering services, \$7,000 for additional surveying and testing, and \$15,000 for other reimbursable expenses); and

WHEREAS, the term of the City's original Agreement with the Consultant was for thirty (30) months, which included the construction period for all of the projects, and the projects were originally anticipated to be completed in 1999; and

WHEREAS, only the Flamingo Pool project has reached substantial completion; and

WHEREAS, on April 10, 2002, the City Commission amended the Agreement with the Consultant for an extension of time on the Normandy Isle Park and Pool through March 31, 2003, and additional fees in the amount of \$21,708 were awarded for that time for the purposes of covering additional costs of administering the project during the extended design process; and

WHEREAS, the construction of the Normandy Isle Park and Pool project is not yet

complete due to delays related to the necessary evaluation of an alternate pool deck system proposed by the Contractor to bring the project into budget and that an FPL transformer had to be relocated prior to construction starting; and

**WHEREAS**, it is now estimated that the project will be substantially complete by December 31, 2003; and

WHEREAS, the Consultant is now working with an agreement for which the term has expired and the fee exhausted, and has requested additional services to continue on these projects; and

WHEREAS, the Consultant has agreed to waive its fee for two (2) months of the time they have been without an agreement (April and May 2003); and

WHEREAS, the fee from June 1, 2003 through December 31, 2003 for the Normandy Isle Park and Pool project would be \$7,700.00 per month for a total of \$53,900 to be based on a time and materials basis; and

WHEREAS, the Administration recommends authorizing additional services to the Consultant for Construction Administration in an amount not to exceed a total of \$100,000; and

WHEREAS, this would cover the \$53,900 being requested and would also provide for a contingency in the event time is extended and would cover the Construction Administration costs of the Park portion of the project, which is not presently part of the construction contract; and

**WHEREAS,** if the project extends past December 31, 2003, the additional funding would be billed on a time and materials basis not to exceed \$5,000 per month; and

WHEREAS, to assure that the City only pays for the services received, access to the funds remaining after December 31, 2003 would only be permitted if written approval was provided by the City prior to the first day of the upcoming month, and would not exceed the \$5,000 per month without the written consent of the City; and

WHEREAS, also included in the amendment approved on April 10, 2002 was an extension of time for the Scott Rakow Youth Center project through May 31, 2002, and additional fees in the amount of \$59,708 were awarded for that time for the purposes of covering additional costs of administering the project during the extended design process; and

WHEREAS, the construction of the Scott Rakow Youth Center project is not yet complete; and

**WHEREAS**, the anticipated completion for Phase I of the project is July 31, 2003, and for Phase II is December 31, 2003; and

- WHEREAS, on the Scott Rakow Youth Center project, the Consultant had requested additional services in the amount of \$55,000 for the time period from June 1, 2002 until April 30, 2003; and
- WHEREAS, during negotiations with the City, it was agreed that the project had not been active for the entirety of the time period in question, and the City believed that the Consultant made errors on the job, most specifically related to Change Order Requests 65 (HVAC roof supports and catwalks) and 35 (Electrical Conduits at Ticket Booths); and
- WHEREAS, while the Consultant respectfully disagreed with the City's opinion, they did propose to waive their request for additional services through July 31, 2003; and
- WHEREAS, in an effort to clean-up the language of the contract, an extension of time through July 31, 2003 is recommended with no additional fees; and
- WHEREAS, it is unclear at this time to what extent the Consultant's services will be needed on Phase II of the project; and
- WHEREAS, if their services are needed after the July 31<sup>st</sup> date, the Administration intends to authorize additional services through a letter agreement with the Consultant, which will provide for an extension of time beginning on August 1, 2003, and additional fees related to that extension of time; and
- WHEREAS, the fees for this extension are projected to be less than \$20,000, and are currently available within the funding for Phase II of the project, which would be billed on a time and materials basis not to exceed \$5,000 per month; and
- WHEREAS, to assure that the City only pays for the services received, access to the funds remaining after December 31, 2003 would only be permitted if written approval was provided by the City prior to the first day of the upcoming month, and would not exceed the \$5,000 per month without the written consent of the City; and
- WHEREAS, in order to finish the projects, the A/E firm of record (the Consultant) must be retained to provide direction with regard to the construction drawings, as well as ensure that the projects are being built according to the construction drawings, essentially to perform traditional construction administration services; and
- WHEREAS, Section 2.12 of the Agreement states that the Consultant is entitled to Additional Services if the duration of the construction projects extend beyond 60 days past the stated term if the reason for the extended construction time is outside the control of the Consultant, which is the situation as it relates to Normandy Isle Park and Pool; and
- WHEREAS, the Administration recommends approving Additional Services and related fees in an amount not to exceed \$100,000 to retain The Corradino Group as Architect/Engineer for the Parks Master Plan Bond Program Sites Scott Rakow Youth

Center, Flamingo Park and Normandy Park through December 31, 2003 for the Normandy Isle Park and Pool project and to provide an extension of time on the Scott Rakow Youth Center project through July 31, 2003.

NOW, THEREFORE BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission approve and authorize the Mayor and City Clerk to execute an amendment to the current agreement between the City of Miami Beach and The Corradino Group (formerly known as Carr Smith Corradino) to provide for an extension of time on the Scott Rakow Youth Center; and to provide for an extension of time and for additional services in an amount not to exceed \$100,000, for the Normandy Isle Park and Pool project; and appropriate \$100,000 from 1999 General Obligation Bond Interest for such purpose.

PASSED AND ADOPTED this day o	of, 2003.
ATTEST:	
CITY CLERK	MAYOR

APPROVED AS TO FORM & LANGUAGE & FOR EXECUTION

Attorney OA Co Dal

# **CITY OF MIAMI BEACH** COMMISSION ITEM SUMMARY



### **Condensed Title:**

A Resolution Approving and Authorizing the City to Enter Into an Agreement With Morton Towers Apartment, LP, a Delaware Limited Partnership (Morton Towers), to Complete Required Public Streetscape and Stormwater Improvements on Both Sides of Bay Road Between 14<sup>th</sup> and 16<sup>th</sup> Streets With the City Contributing the \$900,000 Associated With Stormwater Improvements and Morton Towers Contributing \$600,000 Toward the Remaining Cost of the Improvements.

### Issue:

Shall the City enter into an agreement with Morton Towers for improvements to streetscape and stormwater infrastructure on Bay Road between 14<sup>th</sup> and 16<sup>th</sup> Streets, with the City contributing \$900,000 toward the stormwater improvements, and the developer contributing \$600,000 for the rest of the improvements?

### Item Summary/Recommendation:

In December 1997, the City and Morton Towers Apartment, LP, a Delaware Limited Partnership (Morton Towers), the developer of the Flamingo Resort Residences project at 1500 Bay Road, agreed on additional requirements to the City Development Order issued for the project in November 1997. One of these requirements was that Morton Towers would design and construct comprehensive streetscape improvements on both sides of Bay Road adjacent to the project which extends from 14th to 16th Streets. However, the agreement limited Morton Towers' financial obligation for completing the improvements to \$300,000. In 2001, when the City entered into an agreement with Glatting Jackson for the planning and design of the West Avenue/Bay Road Neighborhood ROW Improvement Project, it was contemplated that Bay Road improvements would be designed as part of the project and that the design would be provided to AIMCO for construction. The design of Bay Road improvements was prioritized but took until November 2002 to complete. The cost of the improvements needed is estimated at \$1,500,000. Morton Towers is required by DRB Order to implement improvements but is limited to paying \$300,000 in doing so. The City needs to ensure that the improvements built are comprehensive, and AIMCO needs to satisfy its DRB Order to obtain a Certificate of Occupancy. Morton Towers will construct comprehensive Bay Road improvements and be compensated up to \$900,000, the difference between the actual cost of the project and Morton Towers' contribution of \$600,000, which includes an additional \$300,000 that Morton Towers has agreed to contribute beyond their legally required \$300,000 contribution. Approximately 77% of the project cost is associated with drainage improvements. City funding for the project in the amount of \$900,000 is available from the Series 2000 Stormwater Bond allocation for the West Avenue Neighborhood. The proposed agreement is attached (Attachment A). The Administration recommends approval of the resolution.

### **Advisory Board Recommendation:**

NA

### Financial Information:

Source of	Amount	Account	Approved
Funds:	1 \$900,000	Series 2000 Stormwater Bond	
91	2		
M	3	7.44	
40	4 ,	·	180
Finance Dept.	Total \$900,000		

City Clerk's Office Legislative Tracking:

Donald P. Shockey

Sian-Offs:

	nt Director	

Assistant City Manager City Manager GENDA\2003\jul3003\regular\bayrddevagreeme/ft.doc

> AGENDA ITEM <u>C7B</u> DATE 7-30-03

# CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139 www.miamibeachfl.gov



### COMMISSION MEMORANDUM

To:

Mayor David Dermer and

Members of the City Commission

Date: July 30, 2003

From:

Jorge M. Gonzalez

City Manager

Subject:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AND AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO AN AGREEMENT WITH MORTON TOWERS APARTMENT, LP, A DELAWARE LIMITED PARTNERSHIP (MORTON TOWERS), TO COMPLETE **REQUIRED PUBLIC STREETSCAPE** STORMWATER IMPROVEMENTS ON BOTH SIDES OF BAY ROAD BETWEEN 14TH AND 16TH STREETS, WITH MORTON TOWERS CONTRIBUTING \$600,000 TOWARD THE COST OF THE IMPROVEMENTS AND THE CITY CONTRIBUTING UP TO \$900,000 ASSOCIATED WITH STORMWATER IMPROVEMENTS: AND FURTHER AUTHORIZING THE APPROPRIATION OF SAID AMOUNT FROM THE SERIES 2000 STORMWATER REVENUE BOND FUND.

# **ADMINISTRATION RECOMMENDATION:**

Adopt the Resolution.

# **FUNDING:**

Funds for this project are available as follows:

Neighborhood	\$57.7 M - S/W Bond Series 2000	
West Avenue/Bay Road	\$900,000	

# **ANALYSIS:**

In December 1997, the City and Morton Towers Apartment, LP, a Delaware Limited Partnership (Morton Towers), the developer of the Flamingo Resort Residences project at 1500 Bay Road, agreed on additional requirements to the City Development Order issued for the project in November 1997. One of these requirements was that Morton Towers would design and construct comprehensive public streetscape improvements on both sides of Bay Road adjacent to the project which extends from 14<sup>th</sup> to 16<sup>th</sup> Streets. However, the agreement limited Morton Towers' financial obligation for completing the improvements to